Canadian Transportation Agency

Office des transports du Canada

Canadian Transportation Agency

2015-2016

Report on Plans and Priorities

The Honourable Lisa Raitt, P.C., M.P.
Minister of Transport

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Message from the Chair and Chief Executive Officer

It is my pleasure to present the Canadian Transportation Agency's 2015-2016 Report on Plans and Priorities. This document outlines the Agency's role in supporting an efficient and accessible transportation system.

The Agency's 2014-2017 Strategic Plan is focused on transforming our business processes through innovative technologies and information management techniques to ensure effective and responsive service delivery.

Building on the successful first year of this Strategic Plan, we will now proceed with the next phase of streamlining our operating procedures and our interactions with industry and consumers, as well as updating key regulations.

The Strategic Plan sets out three priorities:

- Service Excellence
- Regulatory Effectiveness
- High-Performing Organization

The Agency will begin to offer enhanced services to clients this year as a result of a new Case Management System, as well as increased electronic access to services. The Agency's dispute resolution processes will continue to be streamlined, and we will implement a strategy to raise awareness about air passenger rights.

To further support the Government's emphasis on regulatory effectiveness, the Agency plans to modernize regulations related to air transportation and other areas and to implement, in partnership with Transport Canada, any new requirements related to rail certificates of fitness.

The Agency's risk-based approach to monitoring industry compliance with legislative and regulatory requirements will be enhanced. We will update air and rail codes of practice designed to remove undue obstacles to the mobility of persons with disabilities.

Our employees will be equipped to perform at their peak with updated technical resources, streamlined and integrated procedures and strong professional development support.

As always, the Agency's plans and priorities must remain responsive to the feedback offered by our clients and stakeholders. For example, they have told us they want easy access to the information they need and to the services we provide in economic regulation, dispute resolution and accessibility. We've listened – and committed to concrete actions as a result.

Our clients and stakeholders also want us to protect and foster our expertise – a concern we will continue to address this year through the creation of knowledge transfer tools for staff, such as an easily accessible repository of information about Agency operations.

Our 2015-2016 objectives will enable the Agency to uphold its reputation as a trusted and respected tribunal that supports an efficient and accessible transportation system.

Geoffrey C. Hare

Chair and Chief Executive Officer

Section I: Organizational Expenditure Overview

Organizational Profile

Appropriate Minister: The Honourable Lisa Raitt, P.C., M.P., Minister of Transport

Institutional Head: Geoffrey C. Hare, Chair and Chief Executive Officer

Ministerial Portfolio: Transport

Enabling Instrument(s): *Canada Transportation Act*, S.C. 1996, c. 10

Year of Incorporation / Commencement: 1904

Other:

The Agency shares responsibility for the following Acts:
- *Access to Information Act, R.S.C., 1985, c. A-1*
- *Canada Marine Act, S.C., 1998, c. 10*
- *Civil Air Navigation Services Commercialization Act, S.C., 1996, c. 20*
- *Coasting Trade Act, S.C., 1992, c. 31*
- *Energy Supplies Emergency Act, R.S.C., 1985, c. E-9*
- *Financial Administration Act, R.S.C., 1985, c. F-11*
- *Official Languages Act, R.S.C, 1985, c. 31 (4th Supp.)*
- *Pilotage Act, R.S.C., 1985, c. P-14*
- *Privacy Act, R.S.C., 1985, c. P-21*
- *Public Service Modernization Act, S.C., 2003, c. 22*
- *Railway Relocation and Crossing Act, R.S.C., 1985, c. R-4*
- *Railway Safety Act, R.S.C., 1985, c. 32 (4th Supp.)*
- *Shipping Conferences Exemption Act, 1987, R.S.C., 1985, c. 17 (3rd Supp.)*

The Agency has sole responsibility for the following regulations:
- *Air Transportation Regulations*
- *Canadian Transportation Agency Designated Provisions Regulations*
- *Canadian Transportation Agency General Rules*
- *Canadian Transportation Agency Rules (Dispute Proceedings and Certain Rules Applicable to All Proceedings), SOR/2014-104*
- *Personnel Training for the Assistance of Persons with Disabilities Regulations*
- *Railway Costing Regulations*
- *Railway Interswitching Regulations, SOR/88-41*
- *Railway Third Party Liability Insurance Coverage Regulations*
- *Railway Traffic and Passenger Tariffs Regulations*

- *Railway Traffic Liability Regulations*
- *Regulations on Operational Terms for Rail Level of Service Arbitration, SOR/2014-192*
- *Rules of Procedure for Rail Level of Service Arbitration, SOR/2014-94*

The Agency shares responsibility for the following regulations:

- *Carriers and Transportation and Grain Handling Undertakings Information Regulations*
- *Railway Company Pay Out of Excess Revenue for the Movement of Grain Regulations*
- *The Jacques-Cartier and Champlain Bridges Inc. Regulations*
- *The Seaway International Bridge Corporation, Ltd. Regulations*

These Acts and Regulations are available on the Department of Justice website, and are accessible through the Acts and Regulations section of the Agency's website[i].

Organizational Context

Raison d'être

The Canadian Transportation Agency is an independent, quasi-judicial tribunal and economic regulator. It makes decisions and determinations on a wide range of matters within the federal transportation system under the authority of Parliament, as set out in the *Canada Transportation Act* and other legislation.

Our mandate includes:

- Economic regulation, to provide approvals, issue licences, permits and certificates of fitness, and make decisions on a wide range of matters involving federal air, rail and marine transportation
- Dispute resolution, to resolve complaints about federal transportation services, rates, fees and charges
- Accessibility, to ensure Canada's national transportation system is accessible to all persons, particularly those with disabilities

Responsibilities

In meeting its responsibilities, the Agency continuously sets and strives to achieve high performance standards. Education and consultation are integral to the Agency's effectiveness in carrying out its mandate. The Agency works closely with transportation service users and providers in Canada, and with other directly affected stakeholders. It helps travellers, shippers, carriers, terminal operators, municipalities and others to fully understand not only their rights and obligations under the *Canada Transportation Act* and other statutes and regulations, but also the Agency's roles and responsibilities.

When appropriate, the Agency encourages parties to resolve disputes informally before issues escalate and impact the transportation system. The Agency consults broadly on issues that are important to the transportation industry. By remaining open and by listening to all affected parties, the Agency ensures that its decisions are both responsive and responsible.

The Agency exercises its powers through its Members, who are appointed by the Governor-in-Council (GIC): the GIC may appoint up to five full-time Members, including the Chair and Chief Executive Officer (CEO), and the Vice-Chair. The Minister of Transport can also appoint up to three temporary Members.

The Chair and CEO is accountable for the Agency's three programs. The Vice-Chair replaces the Chair and CEO during his absence. All Agency Members, as independent decision-makers, are accountable for making quasi-judicial decisions on matters before the Agency.

The Agency's organizational structure is composed of five branches: the Dispute Resolution Branch, the Industry Regulation and Determinations Branch, the Legal Services, Registrar and Secretariat Branch, the Communications and Information Management Branch, and the Office of the Chair and CEO. The heads of each branch, as well as the Chief Financial Officer and the Director of Human Resources, report directly to the Chair and CEO.

The Agency's headquarters are located in the National Capital Region. Agency personnel working in field offices in five cities across Canada carry out air and accessibility enforcement activities. The Agency's role and structure are described on its website[ii].

Parliament funds the Agency through an operating expenditures vote. The Agency operates within the context of the very large and complex Canadian transportation system[iii].

Strategic Outcome and Program Alignment Architecture

Strategic Outcome: Transparent, fair and timely dispute resolution and economic regulation of the national transportation system

Program 1: Economic Regulation

Program 2: Adjudication and Alternative Dispute Resolution

Internal Services

Organizational Priorities

Organizational Priorities

Priority	Type[1]	Strategic Outcome and Programs
Service Excellence The Agency is recognized for its service innovation and excellence	Previously committed to	**Strategic Outcome** Transparent, fair and timely dispute resolution and economic regulation of the national transportation system **Programs** Economic Regulation Adjudication and Alternative Dispute Resolution Internal Services

Description

Why is this priority?

While service excellence is already entrenched in the Agency's mission, values and corporate culture, we plan to achieve a superior level of service delivery and responsiveness in all of our interactions with clients by harnessing technology and employee talent.

What are the plans for meeting this priority?

In 2015-2016, the Agency will focus on:

- Leveraging the new case management system to deliver improved services to clients
- Reviewing and streamlining of the Agency's processes to achieve efficiency
- Developing additional tools for Agency clients to increase their awareness of legislative and regulatory provisions, and to facilitate their access to Agency services

1. Type is defined as follows: previously committed to—committed to in the first or second fiscal year prior to the subject year of the report; ongoing—committed to at least three fiscal years prior to the subject year of the report; and new—newly committed to in the reporting year of the RPP or DPR.

Priority	Type	Strategic Outcome and Programs
Regulatory Effectiveness The regulatory regime meets the needs of Canadians and enhances the competitiveness and accessibility of the national transportation system	Previously committed to	**Strategic Outcome** Transparent, fair and timely dispute resolution and economic regulation of the national transportation system **Programs** Economic Regulation Adjudication and Alternative Dispute Resolution Internal Services

Description

Why is this priority?

As part of the cross-government effort to reduce red tape, we want to ensure that regulations are relevant and streamlined, and that we identify and eliminate any undue administrative burden for industry.

What are the plans for meeting this priority?

In 2015-2016, the Agency will focus on:

- Publishing amendments to the *Personnel Training for the Assistance of Persons with Disabilities Regulations* and Part VII of the *Air Transportation Regulations* and communicating changes to industry and community of persons with disabilities
- Modernizing the *Air Transportation Regulations* through proposed amendments to Parts I, II, III, and IV
- Enhancing the Agency's non-regulatory approaches to improving accessibility by updating its codes of practice
- Implementing new requirements related to rail certificates of fitness in partnership with Transport Canada
- Enhancing the Agency's risk-based approach to monitoring compliance with legislative and regulatory requirements, accessibility codes of practice, and Agency decisions

Priority	Type	Strategic Outcome and Programs
High-Performing Organization The Agency has engaged, skilled and knowledgeable employees who are supported by effective and efficient systems and services.	Previously committed to	**Strategic Outcome** Transparent, fair and timely dispute resolution and economic regulation of the national transportation system **Programs** Economic Regulation Adjudication and Alternative Dispute Resolution Internal Services

Description

Why is this priority?

The Agency's ability to operate as a high-performing organization and deliver on the ambitious objectives of this Strategic Plan depends largely on the skills and dedication of its employees. The Agency's most valuable resource is its highly-trained, expert workforce, so it is essential that our employees be fully engaged in this shared vision and be given the tools they need to contribute to our success.

What are the plans for meeting this priority?

In 2015-2016, the Agency will focus on:

- Implementing initiatives to move towards the Agency's vision of a paperless office
- Analyzing business requirements for next-generation technologies for workplace 2.0 and enhancing web-based videoconferencing services
- Implementing new service delivery models for internal services
- Improving the efficiency of existing internal administrative business processes and services
- Renewing internal practices and creating an easy-to-access repository of information about Agency operations, including mission-critical expertise to ensure that the Agency maintains business-critical expertise

Risk Analysis

The Agency continues to face three risks that may have an impact on the Agency's ability to carry out its mandate.

Key Risks

Risk	Risk Response Strategy	Link to Program Alignment Architecture
1. Increase in Agency mandates Insufficient capacity to simultaneously maintain core business functions and absorb new mandates resulting from Government of Canada priorities	• Actively engage industry, consumers and government stakeholders to keep abreast of trends, foresee and respond to changes and new developments • Meet Government of Canada objectives by systematically reviewing and streamlining processes, procedures, regulatory administrative requirements, delegated authorities and reallocating resources	Economic Regulation Adjudication and Alternative Dispute Resolution Internal Services
2. Corporate services realignment Significant financial and human resources required to respond to common federal government initiatives (e.g., shared services, process standardization, etc.), while maintaining sufficient capacity to support the Agency's mandate	• Keep abreast of new developments at central agencies and adjust internal governance and planning accordingly • Develop a shared services transition strategy that plans for and responds to centrally-driven shared services and process standardization initiatives • Ensure capacity by streamlining internal processes and procedures and by reallocating resources	Economic Regulation Adjudication and Alternative Dispute Resolution Internal Services
3. Modernization of information management Any delays in implementation of the new shared case management system may impact Agency initiatives to achieve efficiencies and enhance client service delivery	• Remain engaged with central agency committees and working groups responsible for procurement and technical aspects rating, selection, configuration, testing, etc. • Maintain a comprehensive implementation plan for the case management system, including business process mapping, identifying user needs, and upgrading systems	Economic Regulation Adjudication and Alternative Dispute Resolution Internal Services

1. Increase in Agency mandates

Over the coming year, the Canadian Transportation Agency may be faced with taking on additional responsibilities related to economic regulation and adjudication and alternative dispute resolution. The Agency's budget allocation has remained essentially flat for the past eight years, during which time the Agency has absorbed a number of new mandates without additional funding, choosing instead to reorganize and reallocate internally. This approach has been supported by the Agency's efforts to improve efficiency of Agency processes and find economies wherever possible.

The Agency will continue its internal streamlining initiatives to ensure capacity for priority areas and reduce resources required to issue orders, decisions, permits and licences. Automated processing mechanisms will continue to be explored and implemented to improve the speed and efficiency of business transactions with industry, and next-generation technology solutions will be implemented to support more effective case processing. Wherever possible, the Agency will also re-evaluate and streamline requirements to reduce turnaround times and overall cost.

Nevertheless, at this point, the Agency has exhausted the flexibility it has been able to find previously. Taking on further responsibilities will have a significant operational impact on the delivery of new mandates, as well as the Agency's core business, meaning that the Agency may be required to seek additional funding.

2. Corporate services realignment

To support the Government in transforming its internal corporate services, the Agency will implement shared service delivery models and common processes, policies and systems. The transition associated with these centrally-driven measures is significant and, if not properly managed by the Agency, could prevent the Agency from effectively delivering on its core responsibilities and interrupt day-to-day Agency business.

As part of its mitigation strategy, the Agency regularly engages with central agencies about changes to government policy. Corporate services across the Agency have been realigned with the core governance structure to inform decision-making and adapt to the Agency's environment of change. The Agency's multi-year shared services transition strategy will ensure that core business is able to continue by ensuring a consistent and comprehensive approach towards the services affected, costs, and human resource implications.

3. Modernization of information management

In the context of its three-year Strategic Plan, the Agency is modernizing how it manages information. This initiative represents a major step forward for the Agency over the next two years and will increase Agency efficiency and facilitate service excellence. The Agency is part

of a cluster of departments and agencies that will be using a new, shared and standard case management system. While the Agency's implementation is well advanced, any delays would put the Agency at risk of being unable to deliver on core business and service delivery objectives.

To support implementation, a case management committee has been integrated into the Agency's governance structure to oversee project progress, ensure timely implementation, and account for further risks as they are identified.

Planned Expenditures

Budgetary Financial Resources (dollars)

2015-2016 Main Estimates	2015-2016 Planned Spending	2016-2017 Planned Spending	2017-2018 Planned Spending
27,733,404	29,403,610	28,105,037	28,075,595

Human Resources (Full-Time Equivalents [FTEs])

2015-2016	2016-2017	2017-2018
236	232	232

Budgetary Planning Summary for Strategic Outcome and Programs (dollars)

Strategic Outcome, Programs and Internal Services	2012-20 13 Expenditures	2013-2014 Expenditures	2014-2015 Forecast Spending	2015-2016 Main Estimates	2015-2016 Planned Spending	2016-2017 Planned Spending	2017-2018 Planned Spending
Strategic Outcome: Transparent, fair and timely dispute resolution and economic regulation of the national transportation system							
Economic Regulation	12,878,592	12,027,105	12,234,798	11,814,081	12,525,568	11,972,392	11,959,850
Adjudication and Alternative Dispute Resolution	8,337,217	8,982,629	9,315,781	10,052,251	10,657,634	10,186,954	10,176,283
Subtotal	21,215,809	21,009,734	21,550,579	21,866,332	23,183,202	22,159,346	22,136,132
Internal Services Subtotal	7,485,034	7,967,204	7,208,681	5,867,072	6,220,408	5,945,691	5,939,463
Total	28,700,843	28,976,938	28,759,260	27,733,404	29,403,610	28,105,037	28,075,595

Alignment of Spending With the Whole-of-Government Framework

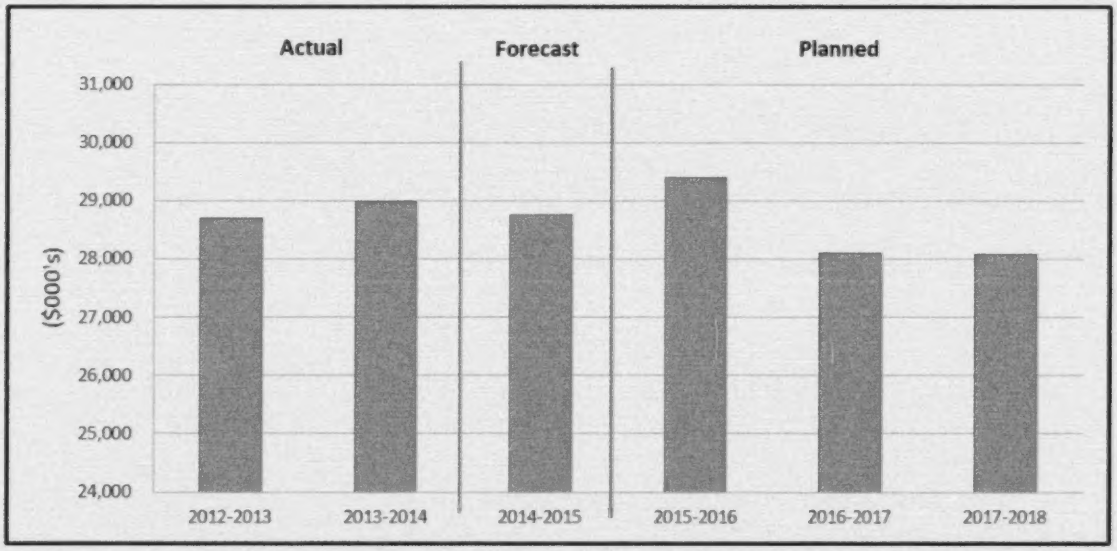
Alignment of 2015-2016 Planned Spending With the Whole-of-Government Framework[iv] (dollars)

Strategic Outcome	Program	Spending Area	Government of Canada Outcome	2015-2016 Planned Spending
Transparent, fair and timely dispute resolution and economic regulation of the national transportation system	Economic Regulation	Economic Affairs	A fair and secure marketplace	12,525,568
	Adjudication and Alternative Dispute Resolution			10,657,634
	Internal Services			6,220,408

Total Spending by Spending Area (dollars)

Spending Area	Total Planned Spending
Economic affairs	29,403,610
Social affairs	N/A
International affairs	N/A
Government affairs	N/A

Departmental Spending Trend



The spending amounts presented in the chart for fiscal years 2012-2013 and 2013-2014 are actual results as presented in the Public Accounts of Canada. Spending has remained consistent over the past two fiscal years.

Forecasted spending for fiscal year 2014-2015 is $28.8 million. This estimate is based on total authorities added to amounts the Agency forecasts receiving from Treasury Board Secretariat for reimbursement of eligible paylist expenditure, given that these amounts can be estimated with some certainty.

Fiscal year 2015-2016, projected spending includes funding to be received through Main Estimates plus an estimated carry-forward of lapsed funds from 2014-2015 of $1.2 million. This carry-forward will principally be used to cover forecasted salary increases, forecasted investments in the implementation of the new case management system, and costs imposed by Treasury Board Secretariat related to shared services.

Projected spending for fiscal years 2016-2017 and 2017-2018 consists of funding anticipated to be received only through Main Estimates.

Estimates by Vote

For information on the Canadian Transportation Agency's organizational appropriations, consult the *2015-2016 Main Estimates* on the Treasury Board of Canada Secretariat website.[v]

Section II: Analysis of Programs by Strategic Outcome

Strategic Outcome: Transparent, fair and timely dispute resolution and economic regulation of the federal transportation system

Performance Measurement

Performance Indicators	Targets	Date to Be Achieved
Percentage of satisfaction with economic regulation and dispute resolution services*	70%	April 2017

* Based on a rating scale of 1 (Very dissatisfied) to 5 (Very satisfied) reported as a percentage (i.e. 1 = 20%, 2 = 40%, 3 = 60%, 4 = 80%, 5 = 100%)

Program 1: Economic Regulation

Description

The Agency supports an efficient and accessible federal transportation system for users, service providers and other stakeholders through economic regulation of federal air, rail and marine transportation. It regulates air transportation by enforcing the *Canada Transportation Act* and related regulations, administering a licensing and charter permit system, helping to negotiate air bilateral agreements, and ensuring that terms and conditions of carriage of air carriers are consistent with Canadian legislation. It develops regulations, codes of practice, and educational and outreach programs to ensure that undue obstacles to the mobility of persons with disabilities are removed from the federal transportation network. It regulates the federal rail system by issuing certificates of fitness allowing carriers to operate, approving rail line construction, overseeing the discontinuance of service, establishing the net salvage value of rail lines, and it determines interswitching rates and administers the maximum revenue entitlement for the movement of Western grain. It acts as an economic regulator in marine transportation by determining whether suitable Canadian vessels are available when applications are made to use foreign vessels.

Budgetary Financial Resources (dollars)

2015-2016 Main Estimates	2015-2016 Planned Spending	2016-2017 Planned Spending	2017-2018 Planned Spending
11,814,081	12,525,568	11,972,392	11,959,850

Human Resources (Full-Time Equivalents [FTEs])

2015-2016	2016-2017	2017-2018
101	99	99

Performance Measurement

Expected Results	Performance Indicators	Targets	Date to Be Achieved
Service providers (air, rail and marine) comply with regulatory requirements	Air service licensees and facility operators comply with the regulatory requirements within 70 business days of the periodic inspection	85%	Ongoing
	Air service licensees and facility operators who have been found in contravention of the regulatory requirements and are brought into compliance following a periodic inspection remain compliant	85%	April 2018
	Level of compliance with targeted* accessibility provisions in regulations	85%	April 2017
	Level of compliance with targeted* accessibility provisions in voluntary codes of practice	75%	April 2017

Expected Results	Performance Indicators	Targets	Date to Be Achieved
CN and CP are provided with the information required to ensure they do not exceed the maximum grain revenue entitlements for the shipment of Western Grain	Number of times that either CN or CP has exceeded their respective Western Grain revenue cap entitlement by more than 1% over the last three years	One time or fewer out of six	April 2017

* Targeted regulations and voluntary codes of practice are those which have been identified for compliance monitoring through the application of a risk-based approach

Planning Highlights

In 2015-2016, the Agency will focus on:

- Developing resource tools to inform industry and the public of the amended provisions regarding rail level of service
- Supporting Transport Canada in the review regarding rail certificates of fitness
- Amending the *Designated Provisions Regulations*
- Conducting outreach and compliance activities to help industry follow the new interline baggage rules
- Completing the administrative monetary penalty framework for rail level of service arbitrations
- Reviewing the railway accounting framework, *Railway Costing Regulations* and railway costing tools
- Enhancing the Agency's risk-based approach to monitoring compliance with legislative and regulatory requirements
- Developing a voluntary self-assessment compliance tool for air carriers

Program 2: Adjudication and Alternative Dispute Resolution

Description

The Agency provides formal and informal dispute resolution services to users, service providers and others affected by the federal transportation network. As a quasi-judicial tribunal, the Agency has the authority to issue adjudicative decisions and orders on matters within its jurisdiction over federal rail, air and marine modes of transportation and, in respect of the Agency's accessibility mandate including extra-provincial bus operations. It resolves disputes between: air travellers and air carriers regarding terms and conditions of air carriage; persons with disabilities and service providers regarding undue obstacles to the mobility of such persons within the federal transportation network; rail shippers and railway companies regarding level of service and other matters; municipalities, road authorities, landowners and railways regarding rail infrastructure; railways and individuals or communities affected by rail noise and vibration; Canadian ship owners and other interested persons regarding coasting trade and pilotage and port authorities regarding charges for pilotage services or port fees.

Budgetary Financial Resources (dollars)

2015-2016 Main Estimates	2015-2016 Planned Spending	2016-2017 Planned Spending	2017-2018 Planned Spending
10,052,251	10,657,634	10,186,954	10,176,283

Human Resources (Full-Time Equivalents [FTEs])

2015-2016	2016-2017	2017-2018
77	75	75

Performance Measurement

Expected Results	Performance Indicators	Targets	Date to Be Achieved
Specialized transportation dispute resolution that is transparent, fair and timely	Percentage of dispute resolution service standards achieved*	70%	April 2017

* Based on meeting 70% (5 out of 7) of the dispute resolution service standards (as published on the Agency's website - https://www.otc-cta.gc.ca/eng/service-standards)

Planning Highlights

In 2015-2016, the Agency will focus on:

- Updating accessibility standards, including those reflected in the air and rail codes of practice
- Continuing the implementation of electronic hearings of adjudicated cases pursuant to new dispute adjudication rules
- Monitoring the progress of rail level of service arbitrations and developing helpful tools for users
- Improving awareness of Agency dispute resolution services by implementing the air awareness strategy and publicizing Agency decisions related to air
- Continuing to promote alternative dispute resolution as a faster and cost-effective way to resolve disputes
- Further streamlining dispute resolution processes to achieve efficiency, including revision of the coasting trade process

Internal Services

Description

Internal Services are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations of an organization. Internal services include only those activities and resources that apply across an organization, and not those provided to a specific program. The groups of activities are Management and Oversight Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Services; Materiel Services; and Acquisition Services.

Budgetary Financial Resources (dollars)

2015-2016 Main Estimates	2015-2016 Planned Spending	2016-2017 Planned Spending	2017-2018 Planned Spending
5,867,072	6,220,408	5,945,691	5,939,463

Human Resources (FTEs)

2015-2016	2016-2017	2017-2018
58	58	58

Planning Highlights

In 2015-2016, the Agency will focus on:

- Implementation of standardized Government of Canada human resources systems, including PeopleSoft and Phoenix
- Implementing new online collaborative tools to strengthen internal communications and facilitate innovation
- Strengthening project management and implementation by improving results-based financial monitoring and performance reporting and implementing common project management tools
- Strengthening the Agency's risk framework
- Developing and implementing succession plans, talent management and performance management strategies
- Implementing new Government of Canada internal services performance measurement standards

Section III: Supplementary Information

Future-Oriented Statement of Operations

The future-oriented condensed statement of operations provides a general overview of the Canadian Transportation Agency's operations. The forecast of financial information on expenses and revenues is prepared on an accrual accounting basis to strengthen accountability and to improve transparency and financial management.

Because the future-oriented condensed statement of operations is prepared on an accrual accounting basis, and the forecast and planned spending amounts presented in other sections of the Report on Plans and Priorities are prepared on an expenditure basis, amounts differ.

A more detailed future-oriented statement of operations and associated notes, including a reconciliation of the net cost of operations to the requested authorities, can be found on the Canadian Transportation Agency's website[vi].

Future-Oriented Condensed Statement of Operations
For the Year Ended March 31
(dollars)

Financial Information	2014-2015 Estimated Results	2015-2016 Planned Results	Difference
Total expenses	32,280,938	33,295,314	1,014,376
Total revenues	-	-	-
Net cost of operations	32,280,938	33,295,314	1,014,376

As shown in the table above, the Agency is projecting a net operating cost of $33.3 million. The forecast increase in expenses in 2015-2016 of $1 million is primarily due to forecasted salary increases, forecasted investments in the implementation of the new case management system, and costs imposed by Treasury Board Secretariat related to shared services.

Supplementary Information Tables

The supplementary information tables listed in the *2015-2016 Report on Plans and Priorities* can be found on the Canadian Transportation Agency's website[vii].

- Departmental Sustainable Development Strategy;
- Upcoming Internal Audits and Evaluations Over the Next Three Fiscal Years.

Tax Expenditures and Evaluations

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance Canada publishes cost estimates and projections for these measures annually in the *Tax Expenditures and Evaluations*[viii] publication. The tax measures presented in the *Tax Expenditures and Evaluations* publication are the responsibility of the Minister of Finance.

Section IV: Organizational Contact Information

For more information, please visit the Agency's website[ix] or contact the Agency at:

Canadian Transportation Agency
15 Eddy Street
Gatineau, Quebec
K1A 0N9
Tel: 1-888-222-2592
Fax: 819-997-6727
TTY: 1-800-669-5575

Email: info@otc-cta.gc.ca

Appendix: Definitions

appropriation: Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

budgetary expenditures: Include operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and payments to Crown corporations.

Departmental Performance Report: Reports on an appropriated organization's actual accomplishments against the plans, priorities and expected results set out in the corresponding Reports on Plans and Priorities. These reports are tabled in Parliament in the fall.

full-time equivalent: Is a measure of the extent to which an employee represents a full person-year charge against a departmental budget. Full-time equivalents are calculated as a ratio of assigned hours of work to scheduled hours of work. Scheduled hours of work are set out in collective agreements.

Government of Canada outcomes: A set of 16 high-level objectives defined for the government as a whole, grouped in four spending areas: economic affairs, social affairs, international affairs and government affairs.

Management, Resources and Results Structure: A comprehensive framework that consists of an organization's inventory of programs, resources, results, performance indicators and governance information. Programs and results are depicted in their hierarchical relationship to each other and to the Strategic Outcome(s) to which they contribute. The Management, Resources and Results Structure is developed from the Program Alignment Architecture.

non-budgetary expenditures: Include net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

performance: What an organization did with its resources to achieve its results, how well those results compare to what the organization intended to achieve and how well lessons learned have been identified.

performance indicator: A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of an organization, program, policy or initiative respecting expected results.

performance reporting: The process of communicating evidence-based performance information. Performance reporting supports decision making, accountability and transparency.

planned spending: For Reports on Plans and Priorities (RPPs) and Departmental Performance Reports (DPRs), planned spending refers to those amounts that receive Treasury Board approval by February 1. Therefore, planned spending may include amounts incremental to planned expenditures presented in the Main Estimates.

A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their RPPs and DPRs.

plans: The articulation of strategic choices, which provides information on how an organization intends to achieve its priorities and associated results. Generally a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead up to the expected result.

priorities: Plans or projects that an organization has chosen to focus and report on during the planning period. Priorities represent the things that are most important or what must be done first to support the achievement of the desired Strategic Outcome(s).

program: A group of related resource inputs and activities that are managed to meet specific needs and to achieve intended results and that are treated as a budgetary unit.

Program Alignment Architecture: A structured inventory of an organization's programs depicting the hierarchical relationship between programs and the Strategic Outcome(s) to which they contribute.

Report on Plans and Priorities: Provides information on the plans and expected performance of appropriated organizations over a three-year period. These reports are tabled in Parliament each spring.

results: An external consequence attributed, in part, to an organization, policy, program or initiative. Results are not within the control of a single organization, policy, program or initiative; instead they are within the area of the organization's influence.

Strategic Outcome: A long-term and enduring benefit to Canadians that is linked to the organization's mandate, vision and core functions.

sunset program: A time-limited program that does not have an ongoing funding and policy authority. When the program is set to expire, a decision must be made whether to continue the program. In the case of a renewal, the decision specifies the scope, funding level and duration.

target: A measurable performance or success level that an organization, program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

whole-of-government framework: Maps the financial contributions of federal organizations receiving appropriations by aligning their Programs to a set of 16 government-wide, high-level outcome areas, grouped under four spending areas.

Endnotes

[i] *Canadian Transportation Agency. Acts and Regulations,* https://www.otc-cta.gc.ca/eng/acts-and-regulations

[ii] *Canadian Transportation Agency. Our organization and role,* http://www.otc-cta.gc.ca/eng/our-organization-and role

[iii] *Transport Canada. The Transport Canada Portfolio,* http://www.tc.gc.ca/eng/aboutus-abouttc.html

[iv] *Whole-of-government framework,* http://www.tbs-sct.gc.ca/ppg-cpr/frame-cadre-eng.aspx

[v] *2015-2016 Main Estimates,* http://publiservice.tbs-sct.gc.ca/ems-sgd/esp-pbc/me-bpd-eng.asp

[vi] *Canadian Transportation Agency,* https://www.otc-cta.gc.ca/eng/publication/future-oriented-financial-statements-years-ending-march-31-2014-and-march-31-2015

[vii] *Canadian Transportation Agency,* https://www.otc-cta.gc.ca/eng/report-plans-and-priorities-2015-2016

[viii] *Tax Expenditures and Evaluations publication,* http://www.fin.gc.ca/purl/taxexp-eng.asp

[ix] *Canadian Transportation Agency,* http://www.otc-cta.gc.ca/